

Scoping Meeting

**Environmental Impact Report for Monterey
Amendment to the State Water Project Contracts
(including Kern Water Bank Transfer) and Other
Contract Amendments and Associated Actions as
Part of a Proposed Settlement Agreement in
Planning and Conservation League v. Department
of Water Resources (SCH No. 200301118)**



Lead Agency: Department of Water Resources

Why An EIR

To satisfy California Environmental Quality Act (California Public Resources Code Section 21000 et seq.) requirements, the Department of Water Resources will prepare an Environmental Impact Report for this project

Purpose of Meeting

Obtain the views of agencies and other interested parties regarding the scope and content of the environmental information and analysis relevant to agency statutory responsibilities and stakeholder interest in the project

Background Information

- In 1994, DWR and representatives of the SWP contractors agreed to a set of principles, known as the Monterey Agreement
- Monterey Amendment resolved long-term water allocation issues and established a new water management strategy for the State Water Project (SWP)

Background Information – Water Shortages

- The water allocation issue focused on Article 18 of the SWP contracts

Background Information – Resolving Water Shortages

- Article 18(a) - Deals with temporary shortages that occur due to droughts and other temporary causes
- Article 18(b) – Deals with the possibility of specified types of permanent shortages of supply of project water

Background Information – Monterey Agreement Statement of Principles

(December 1, 1994)

Resolved the allocation issue by proposing contract revisions that:

- Eliminated initial agricultural use cutbacks
- Specified that all project water be allocated in proportion to annual Table A amounts

Background Information - CEQA Process for 1994 Monterey Agreement

- May 1994 – Lead Agency, Central Coast Water Authority, prepared a DEIR
- October 1995 – FEIR completed
- November 1995 – CCWA certified the EIR
- December 1995 - DWR relied on the EIR and prepared a Notice of Determination and executed a contract amendment

Background Information – Litigation

- December 1995 – PCL challenged the adequacy of the Monterey Agreement EIR
- September 2000 – Third District Court of Appeal ruled that DWR had statutory duty to serve as Lead Agency, and the EIR failed to adequately analyze the effects of deleting Article 18(b)
- Court directed DWR to prepared a new EIR

Objective of Proposed Project

To improve management of SWP supplies and operation through the Monterey Amendment and other contract amendments, and carry out associated actions of the proposed PCL v. DWR settlement agreement

The new EIR will evaluate the potential environmental effects of the following elements:

- Allocation changes for SWP Water Supplies
- Transfer of Table A Amounts and Land
- Water Management Provisions
- Financial Restructuring
- Potential Additional Actions

Allocation Changes for SWP Water Supplies

- Allocate all water supplies in proportion to each contractor's annual Table A amounts
- Eliminate initial supply reduction to agricultural contractors in years of shortage
- Replace certain categories of water with single category (Interruptible Water) allocated on the basis of annual Table A amounts
- Eliminate permanent shortage provision

Transfer of Table A Amounts and Land

- Permanently retire 45,000 acre-feet of agricultural Table A amounts annually
- Make 130,000 acre-feet per year of agricultural Table A amounts available for permanent sale to urban contractors
- Transfer Kern Fan Element properties to local control

Table A Permanent Water Transfer Buyers Under the Monterey Agreement

Purchasers of Kern County Water Agency Water:

| | | |
|------------------------------|--------------|------|
| ● Mojave Water Agency | 25,000 AF/YR | 1998 |
| ● Castaic Lake Water Agency* | 41,000 AF/YR | 2000 |
| ● Palmdale Water Agency | 4,000 AF/YR | 2000 |
| ● Alameda Co. FCWCD Zone 7 | 7,000 AF/YR | 2000 |
| ● Alameda Co. FCWCD Zone 7 | 15,000 AF/YR | 2000 |
| ● Alameda Co. FCWCD Zone 7 | 10,000 AF/YR | 2001 |
| ● Solano County Water Agency | 5,756 AF/YR | 2001 |
| ● Napa County FC&WC District | 4,025 AF/YR | 2001 |

*transaction completed, but environmental documentation not completed

Water Management Provisions

- Enable voluntary water marketing, groundwater banking, and improved use of existing SWP facilities
- Allow groundwater or surface water storage of SWP water outside contractor's service area for later use within its service area
- Expand contractor's ability to store water in San Luis Reservoir when space is available

Water Management Provisions, cont'd

- Permitted contractors to withdraw and later restore water from the SWP terminal reservoirs
- Clarify terms for transport of contractors' non-project water
- Create a Turnback Pool for the annual sale of contractors' unneeded SWP water supplies to other interested contractors

Financial Restructuring

- Use SWP funds to establish an SWP operating reserve
- When SWP cash flow permits, establish a water rate management program which provides for a credit in charges to urban contractors and agricultural contractors

Potential Additional Actions

- Establish a Plumas watershed forum for watershed restoration
- Amend Plumas' SWP contract regarding shortages
- Impose additional restrictions on use of Kern Water Bank lands
- Amend SWP contracts to substitute "Table A amounts" for "entitlement"

Potential Additional Actions, cont'd

- Develop new procedures for disclosure of SWP delivery capabilities
- Issue guidelines for DWR review and approval of permanent Table A transfers among contractors
- Establish public participation procedures for certain contract amendment negotiations

Project Location

The proposed project includes the SWP facilities (including conveyance facilities in the Sacramento-San Joaquin Delta), SWP service areas (including the Kern Water Bank lands), and the SWP contractors' service area.

Environmental Baseline

DWR has operated the SWP in accordance with the Monterey Amendment provisions since 1995.

Most actions provided for under the Monterey Amendment have been implemented.

In the new EIR, it may be necessary to refine the existing conditions in order to ensure that the entire action is adequately evaluated.

Alternatives

- The reasonable range of feasible alternatives will be explored (to be identified)
- The No Project Alternative will evaluate scenarios with and without Article 18(b)

Potential Environmental Effects

The EIR will analyze all resource categories that could be impacted by the proposed project. The proposed project's physical changes include re-operation of water deliveries (with and without Article 18b) and reservoir operations, water storage in service areas, watershed actions in Plumas County, and other actions

Written Comments

- May be submitted at this meeting;
- Mailed to:
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- Sent by e-mail to: delores@water.ca.gov

CEQA PROCESS

